

Members of the Press

June 3, 2015  
Hakuhodo DY Holdings Inc.

**Hakuhodo DY Holdings acquires US agency Digital Kitchen, LLC**

Hakuhodo DY Holdings Inc. (Minato-ku, Tokyo; Hirokazu Toda, President & CEO) strategic operating unit kyu has acquired a 100% interest in Digital Kitchen, LLC (“DK”), a creative content agency with offices in Seattle, Chicago and Los Angeles, USA.

DK was established in 1995 as a specialized digital content production and brand experience design agency. Boasting superior creativity in delivering engagement through content, developing owned media channels, and designing environments for brand experiences, DK was awarded the Design Grand Prix at Cannes in 2011. The agency has also won numerous other prizes for its creativity from such festivals as the Emmy® Awards, The One Show, CLIO Awards, and more. DK is a strategic partner to an array of global companies, developing content pivotal to their business strategies.

Digitalization and globalization have made the marketing activities that companies carry out more complex and sophisticated worldwide, spurring innovation in marketing methods and the development of new solutions. To respond to these changes, the Hakuhodo DY Group put forward the acquisition of specialist marketing service companies that offer advanced specialist marketing methods and solutions as a key driver of growth\* in its new Medium-Term Business Plan. The acquisition of DK is part of this endeavor.

\* Hakuhodo DY Holdings’ three Key Drivers are: (1) Strengthening of *sei-katsu-sha* driven marketing response capabilities, (2) strengthening of business structures in emerging countries, particularly Asia, and (3) continuous enhancement of specialization and innovation.

The Hakuhodo DY Group, through kyu, will continue to enhance specialization and innovation within the Group in order to realize its basic medium-term strategies. These are: to be among the world’s leading marketing service groups and to be our clients’ best marketing partner. Also kyu’s purpose is to create new markets and movements and continuously invigorate society and people through our advanced

and creative integrated marketing solutions. Doing so will also contribute to the growth of the Group's international operations in terms of revenue.

The impact of the acquisition of DK on Hakuhodo DY Holdings Inc.'s consolidated performance in the year ending March 31, 2016 will not be material.

### **About Digital Kitchen, LLC**

Offices: Seattle, Washington; Chicago, Illinois; Los Angeles, California USA  
Established: 1995  
Management: Chairman: Paul Matthaeus, President: Don McNeill,  
CEO: Bill Fritsch  
Employees: 125  
Business: Production of digital content in a broad range of domains from advertising to entertainment

- Delivering engagement through content
- Development of owned media channels
- Design of brand experience environments

Key clients: AT&T, Bose, Microsoft, Boeing  
URL: <http://thisisdsk.com/>

### **■ About Hakuhodo DY Holdings Inc.**

[Hakuhodo DY Holdings Inc.](#) is an integrated advertising and communication agency group headquartered in Tokyo, Japan. It was formed in 2003 when its core agencies Hakuhodo Inc. (founded 1895), Daiko Advertising Inc. and Yomiko Advertising Inc. integrated and created a joint holding company. The Hakuhodo DY Group comprises five distinct groups: [Hakuhodo](#), [Daiko](#), [Yomiko](#), [Hakuhodo DY Media Partners](#) and [kyu](#). *Advertising Age* ranks the Group among the world's top ten agency companies. The Group has over 12,000 employees working in 20 countries.

*Sei-katsu-sha* Insight, the centerpiece of the Hakuhodo DY Group's philosophy, is the foundation for the Group's thinking, planning, and brand building. It recognizes that people are not just consumers performing an economic function, but rather individuals with distinct lifestyles, aspirations and dreams. They are *sei-katsu-sha*, or "people with lives." Hakuhodo introduced this term in the 1980s to emphasize its commitment to a comprehensive, 360-degree, perspective on peoples' lives.

Renowned for its creativity, the Hakuhodo DY Group has twice won the Grand Prix at Cannes Lions International Festival of Creativity, and was the only agency group from Asia to be awarded a Special Lion commemorating Cannes Lions' 50th anniversary in 2003.

#### ■ About kyu

kyu, the strategic operating unit of Hakuhodo DY Holdings, was created in May 2014 to ensure the continuous enhancement of specialization and innovation in the Hakuhodo DY Group. Michael Birkin heads kyu as CEO; its operating companies include SY Partners and Red Peak Group (Red Peak Branding, Red Peak Youth and RPMC).

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